

LONG-TERM DISABILITY PLAN

Disability can happen to anyone, at any time. If you became disabled, would you be able to maintain your current standard of living? Would you have the financial resources to pay for even the basics, such as food, clothing, housing and utilities?

King County hopes you'll never have to face a debilitating illness or injury; but if you do, the county's long-term disability (LTD) insurance plan is there to help safeguard your income and offer support to you and your family when illness or injury prevents you from working.

As a part-time transit operator, you receive county-paid basic long-term disability (LTD) insurance through CIGNA Group Insurance when you elect medical coverage for yourself in the Partial Benefits Plan. If you elect medical coverage, you have the option to purchase CIGNA supplemental LTD insurance for yourself when you first qualify as a part-time transit operator. When you become eligible for the Full Benefits Plan, you automatically receive basic LTD insurance—you're not required to elect medical coverage.

The benefits offered by this plan are underwritten by Life Insurance Company of North America, a subsidiary of CIGNA Corporation. This means that Life Insurance Company of North America is responsible for claim payments and other costs. CIGNA Group Insurance products and services are provided by underwriting subsidiaries of CIGNA Corporation, including Life Insurance Company of North America. "CIGNA" refers to these subsidiaries and is a registered service mark.

In This Section	See Page
------------------------	-----------------

Participating in the LTD Plan	236
Who Is Eligible	236
How and When to Enroll	237
When and How to Make Changes	238
What Coverage Costs	238
When Coverage Begins	239
When Coverage Ends.....	239
How to Convert Coverage	239

The LTD Plan	240
How the LTD Plan Works.....	240
Qualifying for Benefits.....	241
Calculating LTD Benefits	242
Understanding Exclusions and Limitations	244
Receiving Benefit Payments.....	245
Returning to Work	249
Glossary.....	249

PARTICIPATING IN THE LTD PLAN

To effectively use the LTD plan, you need to know how it works. This section explains who is eligible to participate in the LTD plan, how and when to enroll, when you can make changes, what coverage costs and when coverage begins and ends.

LTD PARTICIPATION ONLY

The information about eligibility and changing coverage in this section applies to the county's LTD insurance coverage only. For eligibility and participation regarding other benefits, see the separate descriptions of each benefit in this guide.

Who Is Eligible

When you first qualify as a part-time transit operator, you're eligible to enroll in the Partial Benefits Plan and receive county-paid basic LTD insurance if you elect medical coverage for yourself. If you elect medical coverage, you're also eligible to purchase supplemental LTD insurance for yourself.

When you become eligible for the Full Benefits Plan, you automatically receive basic LTD insurance—you're not required to elect medical coverage.

None of your dependents are eligible for the county's LTD insurance.

How and When to Enroll

There are limited opportunities to enroll in the basic and supplemental LTD plans.

Enrolling When First Eligible

When you qualify as a part-time transit operator, you receive a Part-Time Local 587 New Hire Guide with benefit information and enrollment forms for the Partial Benefits Plan. If you elect medical coverage for yourself, you receive county-paid basic LTD insurance and have the option to purchase supplemental LTD insurance.

To do so, you must return your benefit enrollment forms to Benefits and Retirement Operations within 31 days of the date your benefits begin. If your hire date, which is the first day you report to work, or your qualification date, whichever is later, is the first day of the month, your benefits begin that day. If the later of your hire date or qualification date is any other day of the month, your benefits begin the first day of the following month.

If you don't purchase supplemental LTD insurance when you're first benefit-eligible, you won't get the opportunity to do so again unless:

- you become a full-time operator;
- the county opens supplemental LTD enrollment to all part-time transit operators during the annual open enrollment; or
- you leave county employment and return to a benefit-eligible county position.

When you become eligible for the Full Benefits Plan, you automatically receive basic LTD insurance—you're not required to elect medical coverage.

Enrolling During the Annual Open Enrollment

You can't purchase supplemental LTD insurance during the annual open enrollment unless the county offers the option to purchase supplemental LTD insurance to all part-time transit operators. However, if you're in the Partial Benefits Plan, you'll receive county-paid basic LTD insurance for the following year if you elect medical coverage during the annual open enrollment.

IMPORTANT!

If you don't purchase supplemental LTD insurance when you're first benefit-eligible, you won't have the opportunity to do so again unless:

- you become a full-time operator;
- the county opens supplemental LTD enrollment to all part-time transit operators during the annual open enrollment; or
- you leave county employment and return to a benefit-eligible county position.

You must return your benefit enrollment forms to Benefits and Retirement Operations within 31 days of the date your benefits begin.

When and How to Make Changes

You'll have limited opportunities to make changes to your LTD insurance.

Changes You May Make After Qualifying Life Events

"Qualifying life events" allow you to make midyear changes to your LTD coverage that you normally wouldn't be allowed to make. These events include:

- marriage or establishment of a domestic partnership;
- divorce or dissolution of a domestic partnership;
- birth of a child, adoption of a child or placement of a child as a legal ward;
- the death of a dependent; and
- your spouse/domestic partner's loss of employer-sponsored coverage.

If you haven't previously participated in the Partial Benefits Plan when a qualifying life event occurs and if you elect medical coverage for yourself because of the qualifying life event, you may also be enrolled in basic LTD insurance as a result of the qualifying life event.

However, you can't purchase supplemental LTD insurance in either plan when a qualifying life event occurs—your only opportunity to have enrolled in supplemental LTD insurance was when you first qualified as a part-time transit operator.

Changes You May Make at Any Time

The only change you can make at any time is to discontinue your supplemental LTD insurance. That's because supplemental LTD insurance is optional, and you're paying the full cost of coverage.

Change Forms

If you want to discontinue your supplemental LTD insurance, you need to submit a written request to Benefits and Retirement Operations or e-mail a request to kc.benefits@metrokc.gov. (See *Contact Information*.)

What Coverage Costs

Because you're a part-time transit operator, your basic LTD insurance is paid by the county if:

- you're in the Partial Benefits Plan and elect medical coverage; or
- you're in the Full Benefits Plan.

However, if you're on an unpaid leave, you may pay the full cost of basic LTD insurance to continue coverage.

If you elect supplemental LTD insurance, you pay a monthly premium based on a fixed amount. You pay your monthly premiums through payroll deduction.

The monthly cost of supplemental LTD insurance is \$3.96.

When Coverage Begins

Coverage begins on the first day of the month following your hire date, which is the first day you report to work, or your qualification date, whichever is later. If your hire date is the first day of the month, your coverage begins the same day.

If you happen to be ill or injured and away from work the day coverage begins, your LTD insurance will become effective the day you return to work on a regular schedule.

When Coverage Ends

Your LTD insurance ends on:

- the last day of the month you lose eligibility, resign, are terminated, retire, fail to make any required payments for self-paid coverage or die; or
- the day the LTD plan terminates.

How to Convert Coverage

If you leave county employment and have been covered under the LTD plan for at least 12 consecutive months, you may be eligible to purchase LTD conversion insurance with CIGNA. Benefits will differ from the county plan's benefits. You must apply for conversion insurance within 62 days after your county insurance ends.

Conversion insurance with CIGNA isn't available if:

- you're retired;
- you're 70 years of age or older;
- you're not in active service because of your disability; or
- the county policy is cancelled for any reason.

For information about converting your coverage, contact CIGNA. (See *Contact Information*.)

DEFINED TERMS

Be sure you understand the meaning of the terms used in this summary, such as “predisability earnings.” (See “Glossary” on page 249.)

THE LTD PLAN

To make the most of your LTD plan, you need to know some important things about it.

How the LTD Plan Works

Here’s an overview of how LTD insurance works:

- If you become disabled on or off the job and meet the definition of “disabled,” LTD benefits begin after the benefit waiting period ends. The “benefit waiting period” is the continuous time you must be disabled before LTD benefits begin.
- If you work reduced hours (less than the hours necessary to earn more than 80% of your indexed covered earnings) and meet the definition of “disabled,” your LTD benefits subsidize your reduced earnings.
- The LTD plan pays monthly benefits while you remain disabled until age 65; the actual duration depends on when the disability begins. If your disability begins after you reach age 62, your maximum benefit period depends on your age.
- Separate periods of disability due to the same or related causes are considered continuous unless you return to work for more than six consecutive months. Separate periods of disability due to unrelated causes or that occur after your plan coverage ends aren’t considered continuous.
- Benefits may be limited to 24 months for a disability caused by a mental disorder, drug abuse or alcohol abuse.
- If you become disabled, you also may be eligible to receive benefits from a number of other sources, such as Social Security disability and workers’ compensation. In that case, your LTD benefits are reduced by the amount you receive or are eligible to receive from these other sources.
- Any benefits you receive from an individual disability insurance policy don’t reduce the benefits you receive from your county LTD insurance.

DEFINITION OF “DISABLED”

You’re “disabled” if, because of injury or sickness, you’re unable to perform all the material duties of your **regular occupation**, and if solely due to injury or sickness, you’re unable to earn more than 80% of your indexed covered earnings from working in your regular occupation. After 24 months, you’re considered “disabled” if you’re unable to perform all the material duties of **any occupation**, and if solely due to injury or sickness, you’re unable to earn more than 80% of your indexed covered earnings from working in any occupation.

Basic LTD Insurance

Your basic LTD insurance provides up to a total of 60% of all your predisability earnings after a 180-day benefit waiting period. The “benefit waiting period” for basic LTD insurance is the continuous time you must be disabled before LTD benefits begin. If you return to work during your disability, your benefit amount can be as much as 100% of your predisability earnings. (For more information, see “Returning to Work” on page 249.)

Your predisability earnings are based on your work earnings in effect on your last full day of active work. The minimum monthly benefit is either \$100 or 10% of your monthly benefit, whichever is greater. This minimum monthly benefit is paid even if your income from other sources equals more than 60% of your salary. The maximum monthly benefit you may receive from the basic LTD plan is \$6,000.

Supplemental LTD Insurance

Your supplemental LTD insurance provides up to a total of 60% of all your predisability earnings after a 90-day benefit waiting period. The “benefit waiting period” for supplemental LTD insurance is the continuous time you must be disabled before LTD benefits begin. If you return to work during your disability, your benefit amount can be as much as 100% of your predisability earnings. (For more information, see “Returning to Work” on page 249.)

Your predisability earnings are based on your work earnings in effect on your last full day of active work. The minimum monthly benefit is either \$100 or 10% of your monthly benefit, whichever is greater. This minimum monthly benefit is paid even if your income from other sources equals more than 60% of your salary. If you elect the supplemental LTD insurance plan, your maximum monthly benefit from this plan is increased to \$7,200.

Qualifying for Benefits

You become eligible for LTD benefits when you meet the plan’s definition of “disabled.” You’re considered “disabled” if, solely due to injury or illness, you’re unable to:

- perform all the material duties of your regular occupation; and
- earn more than 80% of your indexed covered earnings from working in your regular occupation. (See “Glossary” on page 249.)

After you’ve been receiving LTD benefits for 24 months, you’re considered “disabled” if your injury or illness makes you unable to perform the material duties of **any** occupation for which you could reasonably become qualified (based on education, training or experience) and, solely due to injury or illness, you remain unable to earn more than 80% of your indexed covered earnings.

DETERMINING DISABILITY

CIGNA, not King County, determines whether you meet the definition of “disabled” for LTD benefits.

During your benefit waiting period or until CIGNA determines your eligibility for LTD benefits, whichever occurs later, you need to pay premiums for your basic and/or supplemental insurance so that your coverage does not lapse.

Calculating LTD Benefits

Your predisability earnings are based on your work earnings in effect on your last full day of active work. To estimate your LTD monthly benefit, use the following formula:

$$(\text{predisability earnings} \times .60) - \text{other income benefits} = \text{your monthly total LTD benefit}$$

Your base monthly salary on your last active day worked determines your predisability earnings.

LTD benefits are taxable unless you elect supplemental LTD. If you elect supplemental LTD, you receive 34% of your total benefit amount tax-free, and the remainder is taxable.

Meet Duane

When Duane became a part-time transit operator for the county, he elected medical coverage. As a result, he received county-paid basic LTD insurance. He also elected supplemental LTD insurance. Because of an injury he suffered the following year, Duane had to go on disability. Since he has supplemental LTD insurance, he has to wait only 90 days instead of 180 days before receiving his LTD benefit.

After his 90-day benefit waiting period, Duane receives the following LTD benefit each month while he’s on disability:

Duane’s monthly predisability earnings	Duane’s gross monthly benefit	Duane’s monthly income from other sources	Duane’s total monthly LTD insurance benefit
\$2,500	$\$2,500 \times 60\% = \$1,500$	\$500	$\$1,500 - \$500 = \$1,000$

Base Monthly Salary

Your base monthly salary is your annual salary divided by 12. It excludes overtime pay, shift differential, premium pay, bonuses and other extra compensation, and taxes.

Other Sources of Income

To determine the LTD benefit you receive, CIGNA will calculate your LTD benefit based on your work earnings on the last day you worked. The calculation will initially include other sources of income, such as workers' compensation, that you're receiving at that time. As you become eligible for other sources of income, such as Social Security and retirement income, your LTD benefits may be offset by your income from those other sources. The maximum LTD benefit you could receive would be 60% of your work earnings on your last day of work.

Coordinating with Social Security

If you're disabled, you may be entitled to Social Security disability benefits. Because the amount of your LTD benefit is affected, in part, by your Social Security benefits, you must apply for Social Security and provide CIGNA with proof of your application before your LTD benefits are determined.

Other Income Benefits

If you're disabled and eligible for LTD benefits, you should first apply for benefits from the income sources listed below that pertain to you:

- the Canada and Quebec Pension Plans;
- the Railroad Retirement Act;
- any local, state, provincial or federal government disability or retirement plan or law as it pertains to the county (however, you're not required to take early retirement benefits to receive your LTD benefits);
- any sick leave plan or other salary continuation plan of the county;
- any work loss provision in mandatory no-fault auto insurance;
- disability benefits under any workers' compensation, occupational disease, unemployment compensation law or similar federal, state or local government program, including all permanent and/or temporary disability benefits. This includes damages, compromises and settlements paid in place of such benefits, whether or not liability is admitted;
- any Social Security disability benefits you or a third party receives or is assumed to receive on your behalf or for your dependents or, if applicable, which your dependents receive or are assumed to receive because of your entitlement to Social Security benefits (see "Coordinating with Social Security" on page 243);
- any retirement plan benefits funded by the county (however, you're not required to take early retirement benefits to receive your LTD benefits);
- any proceeds payable under any franchise or group insurance or similar plan;

IMPORTANT!

To determine the LTD benefit you receive, CIGNA will calculate your LTD benefit based on your work earnings on the last day you worked. The calculation will include other sources of income, such as workers' compensation, that you're receiving at that time. As you become eligible for other sources of income, such as Social Security and retirement income, your LTD benefits may be offset by your income from those other sources.

- any amounts paid on account of loss of earnings or earning capacity through settlement, judgment, arbitration or otherwise where a third party may be liable, regardless of whether liability is determined; and
- any wage or salary for work performed; if you're covered for the return-to-work incentive, CIGNA will reduce disability benefits only to the extent stated under the return-to-work incentive. (For more information, see "Returning to Work" on page 249.)

If you don't apply for benefits from the income sources listed above, CIGNA will estimate your benefits from these other sources and deduct it from your monthly LTD benefit.

When you or your dependents receive benefits from other income sources, CIGNA will notify you of the amount of any overpayment. You must repay CIGNA in full before receiving county LTD benefits.

Understanding Exclusions and Limitations

No LTD benefit is payable for a disability caused by or contributed to by:

- war or any act of war (declared or undeclared);
- suicide, attempted suicide or intentional self-inflicted injury;
- revocation, restriction or non-renewal of your license, permit or certification necessary to perform the duties of your occupation unless solely due to injury or illness otherwise covered by the LTD plan;
- terrorism or active participation in a riot; and/or
- committing or attempting to commit a felony.

You're required to participate fully in any program or required rehabilitative plan or modified work arrangement that CIGNA requires. LTD benefits aren't payable for any period of disability during which you:

- fail to cooperate with CIGNA in administering the claim;
- refuse to participate in rehabilitation efforts or in a transitional or other modified work arrangement; or
- aren't receiving appropriate care.

No LTD benefits are paid for any period of disability when you're not under the ongoing care of a licensed physician.

Mental Disorder or Drug/Alcohol Abuse

Payment of LTD benefits is limited to 24 months for a disability caused or contributed to by a mental disorder or drug/alcohol abuse. However, if you're confined in a hospital for more than 14 consecutive days before reaching the end of the 24 months, that period of confinement won't count against the 24-month lifetime limit. After 24 months, benefits won't be payable for any of the following conditions:

- alcoholism;
- anxiety disorders;
- delusional (paranoid) disorders;
- depressive disorders;
- drug addiction or abuse;
- eating disorders;
- mental illness; and
- somatoform disorders.

Preexisting Conditions

A "preexisting condition" is a mental or physical condition for which, during the three months before your coverage begins, you:

- incurred expenses;
- received medical treatment, care or services, including diagnostic measures;
- took prescribed drugs or medications; or
- did not consult a physician when a reasonable person would have.

The preexisting condition limitation applies to any added benefits or increases in benefits. You won't receive LTD benefits for a disability caused or contributed to by a preexisting condition unless, on the day you become disabled, you've been in active service for at least 12 months after your most recent effective date of insurance or the effective date of any added or increased benefits.

Receiving Benefit Payments

You're eligible to receive LTD benefits if you:

- remain continuously disabled during the benefit waiting period;
- provide proof of continued disability; and
- have regular, continuing care by a licensed physician for the disabling condition.

IMPORTANT!

Payment of LTD benefits is generally limited to 24 months for a disability caused or contributed to by a mental disorder or drug/alcohol abuse.

You must pay the premium for your basic and/or supplemental LTD insurance during the benefit waiting period or until CIGNA determines your eligibility for LTD benefits, whichever is later.

After CIGNA receives and accepts proof of your disability, LTD benefits are paid monthly. If you're not disabled for a complete month, an amount equal to $\frac{1}{30}$ of the LTD benefit is payable for each day that you're disabled.

Spouse Rehabilitation Benefit

While you're disabled, your spouse may be eligible to participate in a rehabilitation plan. At CIGNA's discretion, the rehabilitation plan may cover payment of your spouse's reasonable expenses for education, job placement and relocation. It may also cover family expenses necessary for your spouse to be retrained under the rehabilitation plan.

For your spouse to be eligible, the following conditions must be met:

- you must be continuously disabled for 12 months;
- your spouse's earnings must be 60% or less of your covered earnings; and
- your spouse must be determined by CIGNA to be a suitable candidate for rehabilitation.

Disability benefits will be reduced by 50% of your spouse's earnings from rehabilitative work. If your spouse is working before the rehabilitation plan begins, disability benefits will be reduced by 50% of the increase in income that results from your spouse's participation in the plan.

SURVIVOR BENEFIT

If you die while receiving LTD benefits, a lump sum equal to three times your last net monthly benefit, plus any other earnings by which this benefit has been reduced, will be paid to your designated beneficiaries. This survivor benefit will first be applied to reduce any overpayment of your LTD claim.

If you haven't named a beneficiary, CIGNA will pay your surviving spouse. If there's no spouse, benefits will be paid in equal shares to your eligible unmarried children under 25 years of age who are primarily dependent on you for support. If you don't have a spouse or eligible children, CIGNA will pay your estate. Benefits aren't paid to a domestic partner unless he/she is specifically named as a beneficiary.

To update your beneficiary information for the survivor benefit, complete CIGNA's Beneficiary Designation Form, which is available online at the Benefits and Retirement Web site. Mail the completed Beneficiary Designation Form directly to CIGNA. (See *Contact Information*.)

How to File a Claim

If you're disabled and it seems likely your disability will last for the duration of the benefit waiting period, contact CIGNA by phone or through its Web site. (See *Contact Information*.) You can submit a paper claim form or an online claim form, or you may submit your claim by phone.

When you submit a claim, you need to provide:

- your name, address, phone number, birth date, Social Security number and e-mail address (if applicable);
- the reason you're filing the claim (illness, injury or pregnancy) and whether you've filed or plan to file a workers' compensation claim;
- a description of your illness, injury, symptoms and/or diagnosis, including the date symptoms first appeared and whether you had the illness, injury or symptoms before;
- information regarding any visits you've made to a doctor, hospital or clinic for this claim, including health care provider names, addresses, and phone and fax numbers; and
- employment information (including hire date, job title and job description) and details on any benefits you're receiving from Social Security, unemployment, state disability or other sources.

You'll also need to contact your health care providers to give them permission to release your medical information to CIGNA. In response, CIGNA may send you or your attending physician (with your authorization) a request for more information. **No claim is payable until CIGNA approves it.**

To determine whether LTD benefits should be allowed or continued, CIGNA has the right, at its own expense, to have you examined at reasonable intervals by specialists of CIGNA's choosing. If an independent medical exam is requested, CIGNA pays for it. However, any cost for routine updates on your condition is your responsibility.

CIGNA processes your claim within 45 days of receipt. If CIGNA requires more time, you'll be notified in writing before the end of the initial 45 days of the need for an extension of up to 30 days. If your claim can't be processed during this initial 30-day extension, you'll be notified in writing that a second extension of up to 30 days is necessary.

PAYMENT OF CLAIMS

No claim is payable until CIGNA Group Insurance approves it.

WHEN BENEFITS BEGIN

Benefit payments for basic LTD insurance begin after a 180-day benefit waiting period. If you elected supplemental LTD insurance, benefit payments begin after a 90-day benefit waiting period.

When Benefit Payments Begin

Benefit payments for basic LTD insurance begin after a 180-day benefit waiting period. All payments are subject to federal income tax. If you elected supplemental LTD insurance, benefit payments begin after a 90-day benefit waiting period, and 34% of your payments are tax-free. However, Social Security (FICA) is deducted from all LTD benefits paid between the 90-day and 180-day benefit waiting periods.

How Long Benefit Payments Continue

Certain conditions may cause your LTD benefit payments to end. (For more information, see “When Benefit Payments End” on page 248.) If your LTD benefits haven’t ended, you may continue to receive benefit payments for up to a maximum benefit period as shown in the following chart:

If your disability begins at age...	Your maximum benefit period is...
• 62 or younger	• To age 65 (or for 42 months, if longer)
• 63	• 36 months
• 64	• 30 months
• 65	• 24 months
• 66	• 21 months
• 67	• 18 months
• 68	• 15 months
• 69 and older	• 12 months

When Benefit Payments End

Your monthly LTD benefit payments end on the earliest of:

- the date you’re no longer disabled;
- the date you die;
- the date you don’t provide proof of continued disability as requested;
- the date your disability earnings exceed 80% of indexed covered earnings;
- the date your disability due to a mental disorder or drug/alcohol abuse exceeds 24 months;
- the date you cease to be under the care of a licensed physician;
- the date you refuse to participate in rehabilitation services;
- the date you’re no longer receiving appropriate care; or
- the date you reach your maximum benefit period. (For more information, see “How Long Benefit Payments Continue” on page 248.)

If you end employment, disability payments don't end as long as you continue to be disabled. Benefits continue through your maximum benefit period.

Returning to Work

The LTD plan encourages you to return to work during your disability by offering the following incentives:

- If you work while disabled during the first 12 months that you're eligible for LTD benefits, you receive your LTD benefits plus your work earnings, up to 100% of your predisability earnings.
- If you work while disabled after the first 12 months, LTD benefits are reduced by 50% of your work earnings. If the sum of LTD benefits, work earnings and other income benefits exceeds 80% of indexed covered earnings, LTD benefits will be reduced by the excess amount.

Work earnings include any wage or salary for work performed while disability benefits are payable. If you're working for another employer on a regular basis when disability begins, work earnings will include any increase in the amount you earn from this work during the period for which disability earnings are payable.

GLOSSARY

Base monthly salary

Your "base monthly salary" is your annual salary divided by 12. It excludes overtime pay, shift differential, premium pay, bonuses and other extra compensation, and taxes.

Benefit waiting period

The "benefit waiting period" is the continuous time you must be disabled before LTD benefits begin.

CIGNA Group Insurance (CIGNA)

"CIGNA Group Insurance" is the organization King County contracts with to provide LTD benefits. CIGNA Group Insurance products and services are provided by underwriting subsidiaries of CIGNA Corporation, including Life Insurance Company of North America. "CIGNA" refers to these subsidiaries and is a registered service mark.

Covered earnings

"Covered earnings" refers to an employee's amount of pay before any premium pay, shift differential pay, taxes, bonuses, overtime pay or other extra compensation, as reported by King County for work performed just before the date on which the disability begins.

CPI-W

"CPI-W" stands for the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the U.S. Department of Labor. If the index is discontinued or changed, another comparable nationally published index will be used.

Disability

A "disability" occurs if, solely due to injury or illness, you're unable to perform all the material duties of your regular occupation and are unable to earn more than 80% of your indexed covered earnings from working in your regular occupation. After you've received LTD benefits for 24 months, you're considered "disabled" if your injury or illness makes you unable to perform the material duties of any occupation for which you could reasonably become qualified (based on education, training or experience) and, solely due to injury or illness, you remain unable to earn more than 80% of your indexed covered earnings.

Gross monthly benefit

"Gross monthly benefit" is your monthly LTD benefit before any reduction by other income benefits or taxes.

Indexed covered earnings

For the first 12 months that monthly LTD benefits are payable, "indexed covered earnings" will equal covered earnings. Afterward, indexed covered earnings will equal covered earnings plus an increase applied each anniversary of the date monthly LTD benefits became payable. The amount of each increase is whichever is less:

- 10% of the employee's indexed covered earnings during the preceding year of disability; or
- the rate of increase in the CPI-W during the preceding calendar year.

Predisability earnings

"Predisability earnings" refers to the amount of your pay from the county each month before premium pay, shift differential pay, bonuses, overtime pay or other extra compensation, and taxes. This amount is determined on the date coverage begins and changes on the date of any pay adjustment you receive if you're actively at work.

Preexisting condition

A "preexisting condition" is a mental or physical condition for which, during the three months before your coverage began, you incurred expenses, received medical treatment or services, took prescribed drugs or medication, or didn't consult a physician when a reasonable person would have. The LTD plan doesn't pay benefits for preexisting conditions unless, on the date you become disabled, you're actively at work and have been in active service for at least 12 months following your most recent effective date of insurance or the effective date of any added or increased benefits.

Rehabilitation plan

A “rehabilitation plan” is a written agreement between you and the insurance company in which the insurance company agrees to provide, arrange or authorize vocational or physical rehabilitation services.

Traditional work arrangement

A “traditional work arrangement” is any work offered to you by the employer or an affiliated company while you’re disabled and which may be your own or any occupation. A traditional work arrangement includes, but isn’t limited to, reassigned duties, work site modification, flexible work arrangements, job adaptation or special equipment.

Work earnings

“Work earnings” refers to your base monthly salary from work you perform while disabled and includes earnings from the county, another employer or self-employment. If you’re working for another employer on a regular basis when your disability begins, your work earnings will include any increase in the amount you earn from this work during the period for which disability earnings are payable.

